

Part I

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All Wards

WELWYN HATFIELD BOROUGH COUNCIL

CABINET PLANNING & PARKING PANEL – 6 SEPTEMBER 2018

REPORT OF THE CORPORATE DIRECTOR (PUBLIC PROTECTION, PLANNING AND GOVERNANCE)

**FIVE YEAR LAND SUPPLY POSITION UPDATE – MAY 2018**

**1    Executive Summary**

- 1.1 The National Planning Policy Framework requires local planning authorities to identify, and update annually, deliverable sites to supply five years' worth of housing. This is measured against either their housing requirement from adopted strategic policies or, where this is older than five years, their local housing need. The council last published its five year land supply position as of 30/09/2017 in the 2016/17 Annual Monitoring Report.
- 1.2 This report provides an interim update to the five year land supply (5YLS) which, although the council is not required to publish, is supportive to the ongoing local plan examination, as well as being beneficial in assisting with planning application decisions and appeals. The five year land supply position is presented as of 31/05/2018.

**2    Recommendation(s)**

- 2.1 That the Panel notes the update to the five year land supply, and that this will now be formally published on the Council's website.

**3    Background**

- 3.1 Paragraph 73 of the National Planning Policy Framework states that housing requirement figures from up-to-date adopted local plans will act as the starting point in the calculation of the five year land supply. Where the strategic policies in local plans are more than five years old, the assessment of local housing need should be used. This is defined in the National Planning Policy Framework (Annex 2) as “the number of homes identified as being needed through the application of the standard method set out in national planning guidance, or a justified alternative approach”. However, since the standard method uses household growth projections in its calculation, the government noted in Question 14 of its response to the NPPF consultation that it will consider adjusting the standard method of assessing housing need after the September 2018 household projections are released.
- 3.2 Given that there is the potential for imminent changes to the standard method approach, as well as the fact that the Draft Local Plan is now going through examination and gaining increasing weight, it has been concluded that using the housing target identified in the Draft Local Plan is a justified alternative approach in this instance. This approach will be tested at the Entech House planning inquiry which opens later this month.

#### **4      Explanation**

- 4.1 The five year land supply presented is an update of indicator HO6, published in the 2016/17 Annual Monitoring Report. It includes completions data up to and including 31/03/2018 and sites which have permission as of 30/05/2018.
- 4.2 The housing target in the 2016 submitted Draft Local Plan is stepped, with a lower target of 498 dwellings per annum until 2021/22, then increasing to 752 dwellings per annum from 2022/23 to the end of the plan period. This recognises various constraints which may prevent allocated development sites coming forward until later in the plan period. If an average target were used across the plan period this would equate to 632 dwellings per annum.
- 4.3 The council has, in the past, followed the ‘Sedgefield’ method for calculating the 5YLS, making up any shortfall over a five year period. Alternative methodologies include the ‘Liverpool’ method, which makes up shortfall across the entire plan period, and that of East Hertfordshire, which makes the shortfall up over a ten year period, agreed through their Local Plan Examination.
- 4.4 In this report, these scenarios are explored alongside the council’s published method in order to assess what impact they would have on the 5YLS. The three scenarios presented include:
- The published method – uses the stepped target of 498 until 2021/22 and 752 thereafter and the ‘Sedgefield’ methodology for making up the shortfall over five years;
  - Scenario A – uses the average target of 632 dwellings per annum and the ‘Liverpool’ method for making up the shortfall over the plan period;
  - Scenario B – uses the average target of 632 dwellings per annum and the shortfall is made up over a ten year period, which follows the method recently used by East Hertfordshire and agreed by their inspector in the post hearing note (ED167).
- 4.5 The National Planning Policy Framework requires that either a 5% or 20% buffer be added depending on whether an area has seen ‘significant under delivery of housing over the previous three years’. Looking across an average of the last three years, delivery was below target and therefore it could be argued that the 20% buffer should be applied. The three scenarios are presented with both the 5% and 20% buffer.

- 4.6 The required five year land supply is met in all scenarios with the impact of the differing methodologies summarised below:

<b>Methodology</b>	<b>Five Year Land Supply</b>
Published Method – 5% buffer	6.62
Scenario A – 5% buffer	6.41
Scenario B – 5% buffer	5.97
Published Method – 20% buffer	5.91
Scenario A – 20% buffer	5.71
Scenario B – 20% buffer	5.36

### **Implications**

#### **5 Legal Implication(s)**

- 5.1 There are no legal implications as a result of publishing the 5YLS update.

#### **6 Financial Implication(s)**

- 6.1 There are no financial implications arising as a direct result of producing the 5YLS update.

#### **7 Risk Management Implications**

- 7.1 There are no identified risk management implications as a result of publishing the 5YLS update.

#### **8 Security & Terrorism Implication(s)**

- 8.1 There are no security and terrorism implications as a result of publishing the 5YLS update.

#### **9 Procurement Implication(s)**

- 9.1 There are no procurement implications arising as a result of publishing the 5YLS update.

#### **10 Climate Change Implication(s)**

- 10.1 There are no climate change implications arising as a result of publishing the 5YLS update.

#### **11 Policy Implication(s)**

- 11.1 There are no policy implications arising as a result of publishing the 5YLS update. However, if the housing requirement is amended as a consequence of proposed modifications to the Plan this will affect the calculation of the 5YLS, which would subsequently need to be amended. Should the Council's argument for the justified

alternative approach be unsuccessful on appeal the calculation of the five year land supply will be revisited.

**12 Link to Corporate Priorities**

- 12.1 The production of the 5YLS update is linked to Priority 3 (meet the borough's housing needs).

**13 Equality and Diversity**

- 13.1 An Equality Impact Assessment (EIA) has not been carried out, as the 5YLS update does not include any proposals in its own right.

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20 August 2018

**Appendices:**

Appendix 1 – Five Year Land Supply Position Update (as of 31/05/18)